

# COMMITTEE REPORT

---

## MADAM PRESIDENT:

The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 383, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1       Page 1, line 15, delete "IC 24-4.5-3-502." and insert
- 2       **"IC 24-4.5-3-502, other than an employee of a lender acting within**
- 3       **the scope of the employee's duties for the lender."**
- 4       Page 2, between lines 7 and 8, begin a new paragraph and insert:
- 5       **"(c) This chapter does not apply to:**
- 6               **(1) any supervised financial institution;**
- 7               **(2) any supervised lender licensed to do business in the state;**
- 8               **or**
- 9               **(3) the employee of a supervised financial institution or a**
- 10              **supervised lender while acting within the scope of the**
- 11              **employee's duties."**
- 12       Page 2, between lines 15 and 16, begin a new paragraph and insert:
- 13       **"Sec. 5. As used in this chapter, "motor vehicle" has the**
- 14       **meaning set forth in IC 9-13-2-105(a). However, the term does not**
- 15       **include a recreational vehicle (as defined in IC 9-13-2-150(a)) or a**
- 16       **watercraft (as defined in IC 9-13-2-198.5)."**
- 17       Page 2, line 16, delete "5." and insert "6."
- 18       Page 2, line 17, delete "pledge." and insert **"pledge secured by the**
- 19       **bailment of a motor vehicle title left in possession of the lender."**
- 20       Page 2, line 18, delete "6." and insert "7."
- 21       Page 2, line 19, after "secured by" insert **"the bailment of"**.

- 1 Page 2, line 21, delete "7." and insert "8."
- 2 Page 2, line 25, delete "8." and insert "9."
- 3 Page 2, line 28, delete "9." and insert "10."
- 4 Page 2, line 28, delete ":".
- 5 Page 2, line 29, delete "(1)".
- 6 Page 2, line 29, delete "; and" and insert ".".
- 7 Page 2, run in lines 28 through 29.
- 8 Page 2, delete lines 30 through 34.
- 9 Page 2, between line 34 and 35, begin a new paragraph and insert:
- 10 **"Sec. 11. As used in this chapter, "unencumbered certificate of**
- 11 **title" means a motor vehicle title that does not list a lienholder on**
- 12 **the certificate of title and for which the lender holding the motor**
- 13 **vehicle title has not applied for and does not intend to apply for a**
- 14 **new certificate of title in order to record the lender's security**
- 15 **interest."**
- 16 Page 2, line 35, delete "10." and insert "12."
- 17 Page 2, line 39, delete "11" and insert "13".
- 18 Page 2, line 40, delete "11." and insert "13."
- 19 Page 3, line 2, delete "12." and insert "14."
- 20 Page 3, line 3, delete "Truth in" and insert "**Consumer Credit**
- 21 **Protection Act."**
- 22 Page 3, delete line 4.
- 23 Page 3, line 36, after "WRITING." begin a new line block indented
- 24 and insert:
- 25 **"MOTOR VEHICLE TITLE LOANS ARE REGULATED**
- 26 **BY THE STATE OF INDIANA DEPARTMENT OF**
- 27 **FINANCIAL INSTITUTIONS."**
- 28 Page 4, line 7, delete "13." and insert "15."
- 29 Page 4, line 7, delete "at".
- 30 Page 4, line 8, delete "least".
- 31 Page 4, line 14, delete "may" and insert "**shall**".
- 32 Page 4, line 14, delete "of some or all of".
- 33 Page 4, line 14, after "of a" insert "**principal reduction**".
- 34 Page 4, line 16, after "amount." insert "**After the tenth renewal of**
- 35 **a motor vehicle title loan, the balance on the motor vehicle title loan**
- 36 **must be paid in full. However, the borrower and lender may agree**
- 37 **to enter into a simple interest loan that is payable in installments**
- 38 **not later than seven (7) days after the date the tenth renewal is**
- 39 **due."**
- 40 Page 4, line 17, delete "14." and insert "16."
- 41 Page 5, line 4, after "return the" insert "**original loan check or**".
- 42 Page 5, between lines 9 and 10, begin a new paragraph and insert:

"(h) A motor vehicle title lender shall keep a record of the following information along with the loan agreement for a period of two (2) years from the date the title loan agreement was executed:

(1) A description of the pledged motor vehicle, including the:

(A) make;

(B) model; and

(C) vehicle number.

(2) The amount of the loan.

(3) A record of all principal, interest, and fees collected.

(4) The name, date of birth, and copy of a government issued identification card of the borrower.

(5) The date the motor vehicle title loan was executed."

Page 5, line 10, delete "15." and insert "17."

Page 5, line 13, delete "16." and insert "18."

Page 5, line 13, delete "(a) This section does not apply to a person that is".

Page 5, delete lines 14 through 15.

Page 5, line 16, delete "(b)".

Page 5, run in lines 13 through 16.

Page 5, line 27, delete "17." and insert "19."

Page 5, line 29, delete "borrower other than charges authorized by this chapter." and insert "**borrower, except where the borrower chooses to redeem a repossessed motor vehicle and must reimburse any repossession charges the motor vehicle title lender paid to a third party.**".

Page 5, line 32, delete "the".

Page 5, line 33, delete "borrower at".

Page 5, line 34, delete "vehicle." and insert "**vehicle not earlier than ten (10) days after the default.**".

Page 5, line 35, delete "ten (10)" and insert "**twenty (20)**".

Page 5, line 37, delete "ten (10)" and insert "**twenty (20)**".

Page 6, line 9, delete "ten (10)" and insert "**twenty (20)**".

Page 6, line 23, delete "18." and insert "**20.**".

Page 7, line 5, delete "19." and insert "**21.**".

Page 7, line 41, delete "enforceable" and insert "**unenforceable**".

Page 8, between lines 6 and 7, begin a new line block indented and insert:

**"(10) Require or accept from a consumer a set of keys to the motor vehicle the title of which secures the title loan."**

Page 8, line 7, delete "20." and insert "**22.**".

Page 8, line 9, delete "21." and insert "**23.**".

- 1 Page 8, line 18, delete "22." and insert "**24.**".
- 2 Page 8, line 29, delete "23." and insert "**25.**".
- 3 Page 8, delete lines 31 through 42.
- 4 Delete pages 9 through 11.
- 5 Renumber SECTIONS consecutively.  
(Reference is to SB 383 as introduced.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 9, Nays 2.

---

**Senator Paul, Chairperson**